



NATIONAL COAL TRANSPORTATION ASSOCIATION

1616 17th Street Suite #266, Denver, CO 80202

August 30, 2021

Cynthia T. Brown
Chief, Section of Administration
Office of Proceedings
Surface Transportation Board
395 E Street, S.W.
Washington, D.C. 20423-0001

Re: Docket No. EP 768, *Petition for Rulemaking to Adopt Rules Governing Private Railcar Use by Railroads*

Dear Ms. Brown:

The National Coal Transportation Association (NCTA) submits this letter in support of the petition filed in the above-captioned proceeding asking the Surface Transportation Board (STB) to initiate a rulemaking proceeding that would provide appropriate financial incentives for the Class I railroads to utilize private railcars more efficiently.

NCTA is a national organization consisting of electric utilities, coal producers, and entities that have an interest in the production and transportation of coal for the purposes of generating safe and reliable electricity for consumers nationwide. This group includes entities that produce, repair, and manage all facets of railcar components parts and systems, and also those entities that provide services and products for various operations and environmental compliance requirements at the power plant site. NCTA members have a continuing interest in the direct and ancillary costs of operating and maintaining a modern fleet of railcars to transport coal.

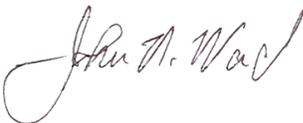
NCTA's coal shippers and receivers have invested billions of dollars of capital to improve the operational and financial efficiency of the rail carriers with no guarantee of a return on their investment. This massive contribution to rail carrier efficiency includes:

purchasing, leasing and maintaining a private fleet of rail cars; accommodating increased train lengths by installing rapid loading and unloading systems at origin and destination; installing multiple loop tracks; being able to load and unload, including providing locomotive crews and even third-party locomotive switching, on a 24/7 basis to accommodate railroad schedules; and lastly, maintaining large coal stockpiles at both origin and destination to compensate for a lack of “surge or smoothing” capacity in the rail system, all at no cost to the rail carrier.

Coal customers’ financial investments have enabled the railroads to reduce their rolling stock, locomotive power, crews and surge capacity. However, in return for this massive investment, the railroads impose demurrage charges for any train delays beyond times set by the railroad for loading and unloading and reduce the availability of locomotives and crews to the point of unpredictability in service for trains at origin and destination. Sensible policies providing reasonable protection for the coal shipper’s huge capital investment are in order.

NCTA therefore supports the North America Freight Car Association, The National Grain and Feed Association, The Chlorine Institute, and The National Oilseed Processors Association in their petition seeking a rulemaking to adopt rules governing private railcar use by railroads.

Respectfully submitted,

A handwritten signature in cursive script that reads "John N. Ward". The signature is written in black ink and is positioned below the text "Respectfully submitted,".

John N. Ward
Executive Director, National Coal Transportation Association
1616 17th Street Suite #266, Denver, CO 80202
Phone: 801-560-9801 * Email: john@movecoal.org